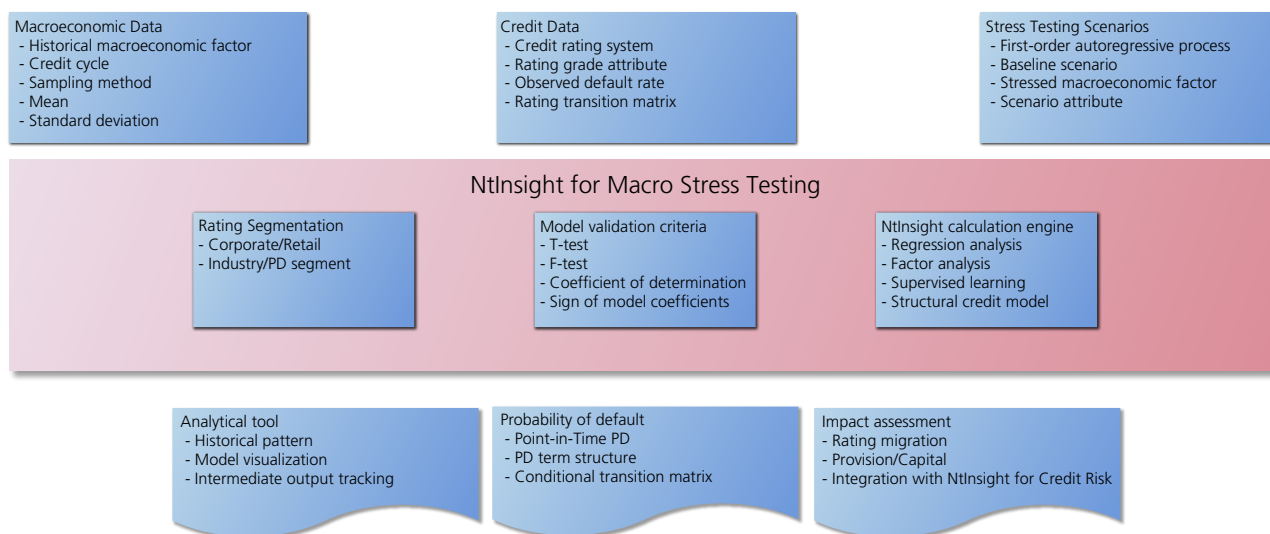


NtInsight for Macro Stress Testing

PRODUCT OVERVIEW

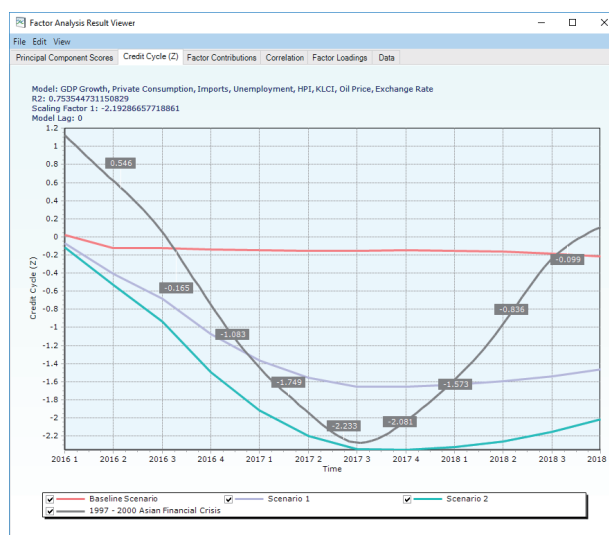
NtInsight® for Macro Stress Testing is a credit risk management software that serves the dual purpose of regulatory compliance and internal risk management. It is developed to help improve efficiency in implementing macro stress testing framework, as well as to serve the need of reducing hurdles and costs in conducting macro stress testing of credit risk.



From regulatory burden to strategic capability

Supervisors worldwide have put in place a series of macro stress testing requirements to get a forward-looking perspective on institutions' resilience in a negative environment. Institutions face many challenges in macro stress testing, including difficulty in statistical modeling, justification of subjective judgement, duplication of effort to adjust calculation results, etc. Moreover, many voiced that the shortage of dedicated staff makes it costly to perform the test by themselves.

To help reduce the burden, NtInsight for Macro Stress Testing, as a lightweight solution for macro stress testing of credit risk, incorporates dynamics in macroeconomic environments, estimates Point-in-Time risk parameters, and aggregates to produce an impact assessment. The solution helps reduce the cost to build a macro stress testing framework, as well as time for conducting a macro stress testing. Through this, users can invest more on the analysis of test findings, taking macro stress testing from a regulatory burden to a tool that facilitates decision making.

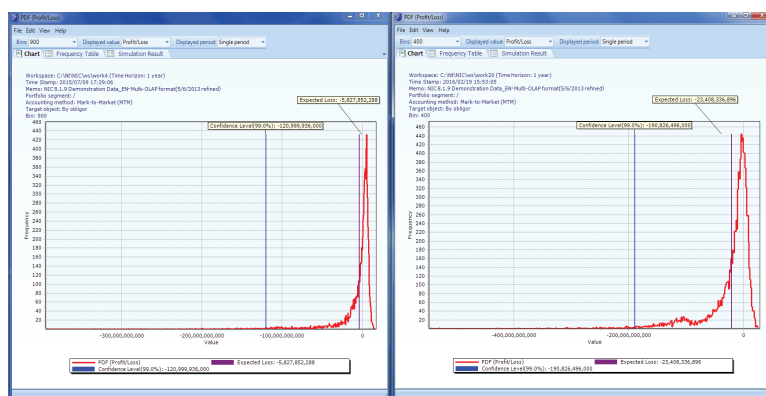


Visualize performance of link model under different scenarios produced by NtInsight for Macro Stress Testing.

Integration with NtInsight® for Credit Risk

NtInsight for Macro Stress Testing allows financial institutions to perform macro stress testing of credit risk in a timely manner. To cater to a more granular analysis, NtInsight for Macro Stress Testing can be seamlessly integrated with NtInsight for Credit Risk, which has been used by top-tier institutions in Japan since 1998.

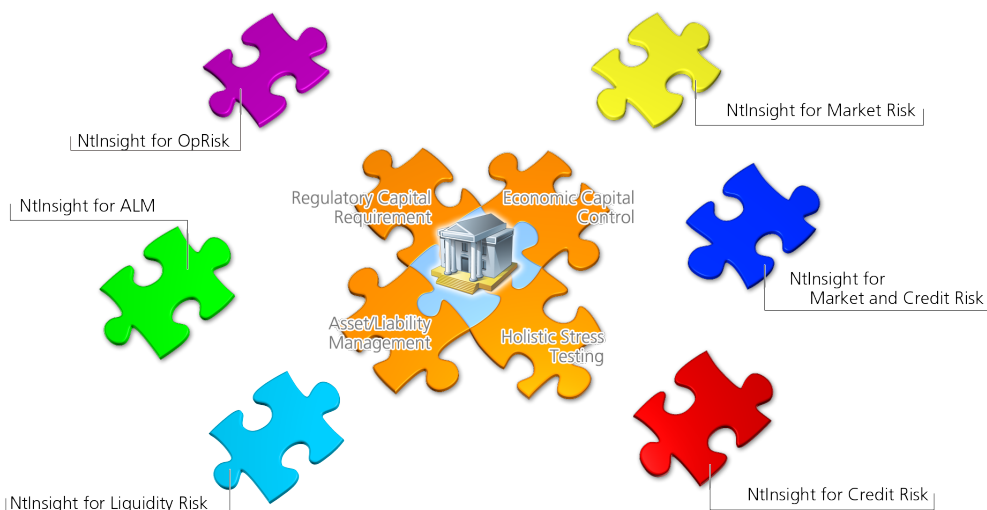
By integrating two solutions, the impact of each scenario can be analyzed in greater detail. Indicators such as capital ratio, credit VaR, marginal VaR can be displayed from a macro aggregate to micro transaction level. This integrated approach gives a comprehensive view of the impact under user-defined macroeconomic scenarios.



NtInsight for Macro Stress Testing, integrated with NtInsight for Credit Risk, produces comparison of credit profit/loss distribution under baseline (left) and stress scenario (right).

NtInsight® Offers Ready-to-Use Solutions for Enterprise Risk Management

NtInsight is a family of ready-to-use but highly customizable risk management software solutions for the enterprise. Its practical and comprehensive approach to risk measurement and management offers CROs and risk managers the flexibility to adapt to evolving regulatory and business requirements.



About Numerical Technologies

Numerical Technologies, with offices in Singapore and Tokyo, is a cutting-edge, laboratory-style software company focused on bringing advanced technologies to financial risk management. We specialize in financial modeling, parallel Monte Carlo simulation, and high performance computing. Since 1998, we have been helping clients quantify risk, identify opportunities, and meet economic and regulatory capital requirements. Our solutions have won accolades from and the trust of Japan's most respected financial institutions including MUFG, SMBC, and Nippon Life.